

**ORDINANCE NO. 11-15**

ORDINANCE OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, FLORIDA REPEALING AND RESCINDING HIALEAH, FLA., ORDINANCE 10-66 (NOV. 12, 2010); PROVIDING PENALTIES FOR VIOLATION HEREOF; PROVIDING FOR A SEVERABILITY CLAUSE AND PROVIDING FOR AN EFFECTIVE DATE.

**WHEREAS**, pursuant to Hialeah, Fla., Ordinance 10-66 (Nov. 12, 2010), the City of Hialeah authorized the negotiation of a refunding loan from the Florida Municipal Loan Council to refund the Florida Municipal Loan Council Revenue Bonds, Series 1999; and

**WHEREAS**, due to the sudden spike in interest rates, the City would not realize the anticipated threshold in interest savings over the life of the refinanced loan and accordingly, has decided that it is not in the City's best interest to refund the 1999 series bonds at this time; and

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, FLORIDA, THAT:

**Section 1:** The City of Hialeah, Florida hereby repeals and rescinds Hialeah, Fla., Ordinance 10-66 (Nov. 12, 2010) in its entirety.

**Section 2: Penalties.**

Every person violating any provision of the Code or any ordinance, rule or regulation adopted or issued in pursuance thereof shall be assessed a civil penalty not to exceed \$500.00 within the discretion of the court or administrative tribunal having jurisdiction. Each act of violation and each day upon which any such violation shall occur shall constitute a separate offense. In addition to the penalty prescribed above, the city may pursue other remedies such as abatement of nuisance, injunctive relief, administrative adjudication and revocation or suspension of licenses or permits.

**Section 3: Severability Clause.**

If any phrase, clause, sentence, paragraph or section of this ordinance shall be declared invalid or unconstitutional by the judgment or decree of a court of competent

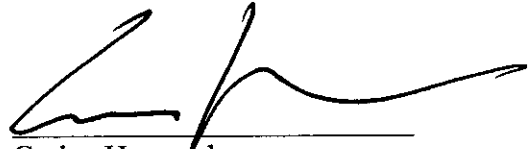
jurisdiction, such invalidity or unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this ordinance.

**Section 4:     Effective Date.**

This ordinance shall become effective when passed by the City Council of the City of Hialeah, Florida and signed by the Mayor of the City of Hialeah, Florida or at the next regularly scheduled City Council meeting, if the Mayor's signature is withheld or if the City Council overrides the Mayor's veto.

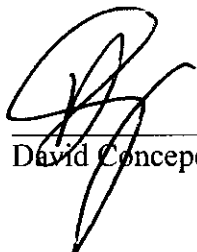
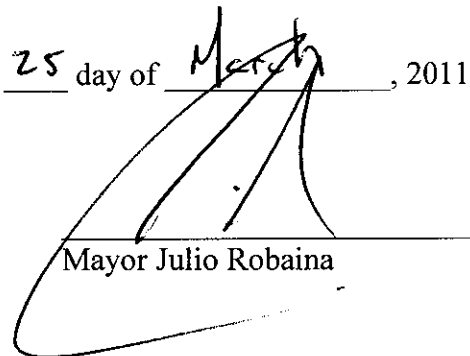
PASSED AND ADOPTED this 22nd day of March, 2011.

THE FOREGOING ORDINANCE  
OF THE CITY OF HIALEAH WAS  
PUBLISHED IN ACCORDANCE  
WITH THE PROVISIONS OF  
FLORIDA STATUTE 166.041  
PRIOR TO FINAL READING.

  
\_\_\_\_\_  
Carlos Hernandez  
Council President

Attest:

Approved on this 25 day of March, 2011.

  
\_\_\_\_\_  
David Concepcion, Acting City Clerk  
\_\_\_\_\_  
Mayor Julio Robaina

Approved as to form and legal sufficiency:

  
\_\_\_\_\_  
William M. Grodnick, City Attorney

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Ordinance was adopted by a unanimous vote with Councilmembers, Caragol, Casals-Muñoz, Cue-Fuente, Garcia-Martinez, Gonzalez, Hernandez, and Yedra voting "Yes".

ORDINANCE NO. 10-66

**AN ORDINANCE OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, FLORIDA, AUTHORIZING THE NEGOTIATION OF A LOAN IN AN AGGREGATE AMOUNT NOT TO EXCEED \$18,000,000 FROM THE FLORIDA MUNICIPAL LOAN COUNCIL TO REFUND A PRIOR LOAN; APPROVING THE FORM OF AND THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT WITH THE FLORIDA MUNICIPAL LOAN COUNCIL; APPROVING THE EXECUTION AND DELIVERY OF A BOND PURCHASE CONTRACT; APPROVING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT, ALL AS ATTACHED HERETO IN SUBSTANTIAL FORM AND MADE A PART HEREOF AS EXHIBITS "A", "B" AND "C" RESPECTIVELY; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION WITH THE MAKING OF SUCH LOAN, AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, participating governmental units ("Members") have created the Florida Municipal Loan Council ("Council") pursuant to a certain Interlocal Agreement and pursuant to Chapter 163, Part I, Florida Statutes, for the purpose of issuing its bonds to make loans to participating governmental units for qualified projects; and,

**WHEREAS**, the City of Hialeah, Florida (the "Borrower"), a municipal corporation, is duly created and existing pursuant to the Constitution and laws of the State of Florida (the "State"); and,

**WHEREAS**, the Borrower finds and declares that there is a substantial need for the refunding of a loan previously undertaken from the Council by the Borrower dated as of April 1, 1999 (the "1999 Loan") in the original amount of \$30 million dollars to be refinanced through a new financing (the "Loan") secured by a Loan Agreement between the Borrower and the Florida Municipal Loan Council for refinancing of the 1999 Loan (the "Refunding"); and,

**WHEREAS**, the Borrower has determined that financing the Loan through a pooled financing program involving a limited number of local governmental units which regularly undertake projects requiring significant debt financing within the State of Florida would provide for low cost financing of such Loan through economies of scale, administrative support and access to expertise in accessing the capital markets; and,

**WHEREAS**, it is anticipated that the benefits of a pooled financing by the Borrower with a limited number of governmental units through the Florida Municipal Loan Council may be obtained through a promise to repay such loan under the program and supported by a general covenant to budget and appropriate for such purpose, by a specific revenue pledge of taxes or revenues or by a general obligation; and,

**WHEREAS**, by pooling the respective financial needs of these certain various local governmental units, the Borrower will be able to access additional markets and expects to receive the benefits of lower interest rates on more favorable terms associated with such a large scale financing with such benefits being obtained for and inuring to the Borrower; and,

**WHEREAS**, the Council is in the process of issuing its Florida Municipal Loan Council Revenue and Revenue Refunding Bonds, Series 2010, of various subseries, or such other designation as maybe determined by the Council (the "Bonds") to finance loans and is seeking to make loans to governmental units; and,

**WHEREAS**, it is determined that a need exists to borrow funds to refund the 1999 Loan; and,

**WHEREAS**, it is determined to be in the best interest of the Borrower to borrow funds from the Council from the proceeds of the Bonds to refinance the 1999 Loan.

**NOW THEREFORE, BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, FLORIDA, THAT:**

**Section 1:** The foregoing facts and recitations contained in the preamble to this ordinance are hereby adopted and incorporated by reference as if fully set forth herein.

**Section 2:** **Authority.** This Ordinance is enacted pursuant to Chapter 166, Florida Statutes, the City Charter, and other applicable provisions of law.

**Section 3:** **Refunding.** The refunding of the 1999 Loan is hereby approved.

**Section 4:** **Negotiated loan.** Due to the complicated nature of the financings and the ability of the Florida Municipal Loan Council to access additional markets and for the Borrower to receive the benefits of lower interest rates and issuance costs, it is hereby determined that it is in the best interest of the Borrower that the Loan to the Borrower be made from the proceeds of the Bonds, as opposed to the Borrower borrowing funds pursuant to a public sale in order to accomplish the Refunding.

**Section 5:** **Loan amount.** The amount of the Loan to the Borrower evidenced by the Loan Agreement shall not exceed \$18,000,000. Such Loan shall be made at a discount which shall include a pro-rata portion of costs of issuance incurred by the Borrower, the Florida League of Cities, Inc. administrative fees, and other ongoing costs and shall bear interest and shall be repayable according to the terms and conditions set forth in the Loan Agreement authorized pursuant to Section 6 hereof with such

changes, insertions and omissions as may be approved by the Mayor, or his designee. The redemption provisions, if any, relating to such Loan shall be as provided in the Loan Agreement.

**Section 6:      Delivery of Loan Agreement and Continuing Disclosure Certificate.**

The Mayor and the Acting City Clerk or any other appropriate officers of the Borrower are hereby authorized and directed to execute and deliver the Loan Agreement to evidence the Loan and to undertake all actions in respect to the Loan Agreement, which is in substantially the form attached as Exhibit "A" with such changes, insertions and omissions as may be approved by the Mayor, the execution thereof being conclusive evidence of such approval.

Further, the Mayor, the Acting City Clerk, or his designee or any other appropriate officers of the Borrower are authorized and directed to execute and deliver a Continuing Disclosure Certificate concerning compliance with existing or proposed rules of the Securities and Exchange Commission concerning continuing disclosure by the Borrower, to be entered into by and between the Borrower and the Florida League of Cities, Inc., in substantially the form attached as Exhibit "B" with such changes, insertions and omissions as may be approved by the officer executing such agreement, the execution thereof being conclusive evidence of such approval.

**Section 7:      Indenture.** The Borrower hereby acknowledges and consents to the Bonds being issued pursuant to a Trust Indenture (the "Indenture") to be executed by the Council and Deutsche Bank Trust Company Americas, as Trustee.

**Section 8:      Bond Purchase Agreement.** The form of the Bond Purchase Contract, to be entered into by and between the Underwriter, the Borrower and the Council in substantially the form attached as Exhibit "C" with such changes, insertions and omissions as may be approved by the Mayor, or his designee, the execution thereof being conclusive evidence of such approval is hereby approved.

**Section 9:      Other instruments.** The Mayor, City Attorney, Finance Director, Office of Management and Budget Director or any other appropriate officers of the Borrower are authorized and directed to execute any and all certifications or other instruments or documents required by this Ordinance, the Loan Agreement, the Continuing Disclosure Agreement, the Bond Purchase Contract, the

Indenture or any other document required by the Council as a prerequisite or precondition to making the Loan (including but not limited to the execution of all tax documents relating to the tax exempt status of the Loan), and any such representations and agreements made therein shall be deemed to be made on behalf of the Borrower. All action taken to date by the officers of the Borrower in furtherance of the issuance of the Bonds and the making of the Loan is hereby approved, confirmed and ratified.

**Section 10:**    **Additional information.**    The Loan Agreement shall not be executed and delivered unless and until the Borrower has received all information required by Section 218.385, Florida Statutes.

**Section 11:**    **Repeal of Ordinances in Conflict.**

All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

**Section 12:**    **Penalties.**

Every person violating any provision of the Code or any ordinance, rule or regulation adopted or issued in pursuance thereof shall be assessed a civil penalty not to exceed \$500.00 within the discretion of the court or administrative tribunal having jurisdiction. Each act of violation and each day upon which any such violation shall occur shall constitute a separate offense. In addition to the penalty prescribed above, the Borrower may pursue other remedies such as abatement of nuisance, injunctive relief, administrative adjudication and revocation of licenses or permits.

**Section 13:**    **Severability Clause.**

If any phrase, clause, sentence, paragraph or section of this ordinance shall be declared invalid or unconstitutional by the judgment or decree of a court of competent jurisdiction, such


invalidity or unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this ordinance.

**Section 14: Effective Date.**

This ordinance shall become effective when passed by the City Council and signed by the Mayor or at the next regularly scheduled City Council meeting, if the Mayor's signature is withheld or if the City Council overrides the Mayor's veto.

PASSED AND ADOPTED this 9th day of November, 2010.

THE FOREGOING ORDINANCE  
OF THE CITY OF HIALEAH WAS  
PUBLISHED IN ACCORDANCE  
WITH THE PROVISIONS OF  
FLORIDA STATUTE 166.041  
PRIOR TO FINAL READING.

  
\_\_\_\_\_  
Carlos Hernandez  
Council President

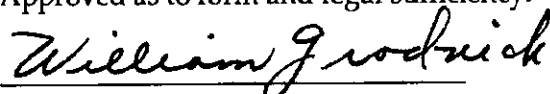
Attest:

Approved on this 12 day of November, 2010.

  
\_\_\_\_\_  
David Concepcion, Acting City Clerk

  
\_\_\_\_\_  
Mayor Julio Robaina

Approved as to form and legal sufficiency:

  
\_\_\_\_\_  
William M. Grodnick, City Attorney

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Ordinance was adopted by a unanimous vote with Councilmembers, Caragol, Casals-Muñoz, Cue-Fuente, Garcia-Martinez, Gonzalez, Hernandez, and Yedra voting "Yes.